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## **Media Release**

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### **Delaware Department of Justice Reminds Investors of Limited Time Buyback Offers for Auction Rate Securities**

**Wilmington, DE** – As state securities regulators continue their efforts to provide relief to investors whose funds have been frozen in the auction rate securities market, the Delaware Department of Justice reminds investors of repurchase opportunities that have been arranged between securities regulators and several Wall Street investment firms.

In settlements reached with state and federal securities regulators, eleven investment firms have agreed in principle to repurchase more than \$50 billion of auction rate securities (ARS) from investors. Eligible investors may have already received written notices about these limited time repurchase opportunities. Investors are encouraged to contact the Delaware Department of Justice at **(302) 577-8424** and the investment firm from which they originally purchased their ARS if they have questions about the repurchase offers.

“Investors should be aware that if the notice they receive from the selling firm is not followed, the current repurchase opportunity will expire and future repurchase offers are unlikely,” stated James Ropp, Delaware Securities Commissioner. “Any investor who is unsure whether they own auction rate securities should immediately contact the Delaware Department of Justice or their broker.”

Auction rate securities, also referred to as ARPS, short term paper, 7 day paper, or floaters, are long-term financial instruments with interest rates that are reset through weekly or monthly auctions. When auctions run properly investors who hold these securities can buy and sell them on a regular basis. However, when there are not enough buyers for every ARS being offered for sale, auctions “fail” and investors are forced to hold their ARS until the next successful auction. Since early 2008, the majority of these auctions have failed and many investors have been unable to sell their holdings.

In response to investor complaints, state-led investigations into possible violations of securities laws in connection with the sale of ARS began in April. The North American Securities Administrators Association formed a multi-state Task Force, comprised of securities regulators in 12 states, to investigate whether Wall Street firms had systematically misled investors who purchased these securities. The Delaware Department of Justice Securities Unit is a Task Force member.

Several investment firms have established telephone hotlines to respond to questions from customers concerning the repurchase of auction rate securities. Those firms and hotline numbers are:

- **Bank of America: 866-638-4183**
- **Citi: 866-720-4802**
- **Deutsche Bank: 866-926-1437**
- **Goldman Sachs: 888-350-2857**
- **JP Morgan: 866-450-8470**
- **Merrill Lynch: 888-706-1381**
- **Morgan Stanley: 800-566-2273**
- **UBS: 800-253-1974**
- **Wachovia: 866-283-7943**

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